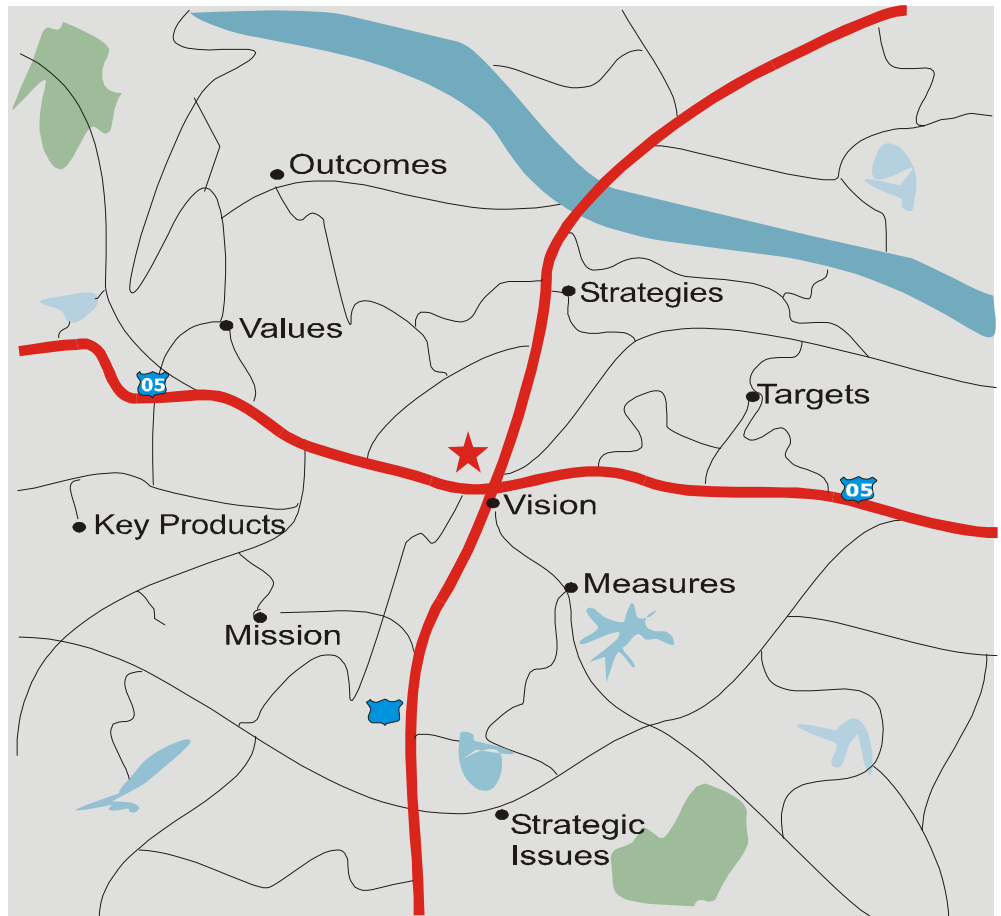


Strategic Plan Fiscal Year 2006

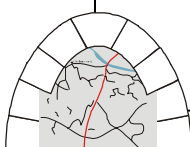


Missouri

Department of Revenue

Index

Overview	2
Vision, Mission, Values.....	3
Outcomes and Strategic Issues - Listing.....	4
Programs - Listing	5
Key Products - Listing.....	6
Outcomes with Measures	7
Strategic Issues with Explanatory Statements and MQA Category Linkage	15
Programs with Financial Measures	19
Division of Taxation and Collection	20
Division of Motor Vehicle and Drivers Licensing.....	22
Key Products with Operational Measures	23
Division of Taxation and Collection	24
Division of Motor Vehicle and Drivers Licensing.....	44
Division of Administration.....	53

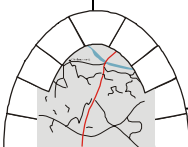


Overview

The Missouri Department of Revenue (department) conducts a series of planning meetings each year with leadership representatives from throughout the department to determine departmental priorities. Priority focus is given to department-wide strategic issues and the efficient and effective management of identified key products to enhance revenue collection for the state of Missouri.

The department's strategic plan encompasses the outcomes, strategic issues, programs, and key products of the department. Each of the four outcomes has at least one measurement represented with three to five years of historical data. The Executive Leadership Team, comprised of thirteen individuals holding key management positions in the department, is held accountable for improving the department's strategic issues' areas. Administrators and managers within the three departmental divisions have developed measures, targets, and strategies for programs and key products in their respective areas. By focusing on these priority areas, the department has achieved efficiencies in its processes and delivered its products to the citizens of Missouri more timely and with less hassle, and collected revenues for the state at an ever-higher level of efficiency. Maintaining this focus is expected to achieve continued improved results during this planning period.

Key products and services were selected based on their role in fulfilling the department's role of collecting revenue to fund state government operations. In Fiscal Year 2004, the department collected \$7.2 billion or 96 percent of state general revenue and \$2.5 billion in other state funds. In addition, the department collected for and distributed to Missouri cities, counties, and other political subdivisions about \$2 billion of non-state funds.



Department of Revenue Strategic Plan

Vision

Simplify

Mission

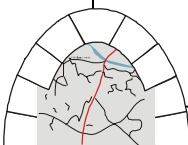
Improving what we do to make the government work for you. We:

- Collect taxes and fees to provide resources to serve the needs of Missouri
- Ensure compliance with driver licensing and related laws to help keep Missouri's roads safe
- Provide assurance of ownership needed for buying, selling, and financing motor vehicles and marine craft

Values

We are dedicated to serving our customers fairly and with the highest level of integrity. We value our:

- *Bottom Line*
Measuring our performance and communicating results
- *Front Line*
Involving all employees in improving our performance
- *Customer Line*
Asking customers what they want and ensuring the lines of communication are open so they can tell us



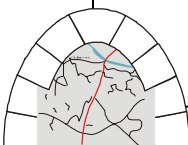
Outcomes

- Increased customer satisfaction
- Increased voluntary compliance
- Decreased cost of compliance
- Increased quality performance

Strategic Issues

- Improve communication
- Secure adequate resources for the department
- Validate the department's understanding of customer expectations
- Make the Department of Revenue a great place to work
- Ensure the viability of information technology
- Foster central office relations with field offices (including agent offices)
- Optimize and standardize departmental measures
- Expand alternative service delivery methods
- Explore a Customer Relationship Management system
- Ensure business continuity
- Ensure a sufficient, quality, and diverse workforce
- Foster business relationships and partnerships
- Ensure security and privacy

Note: Strategic issues are listed in priority order.



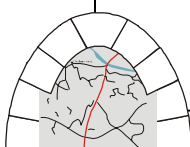
Programs Administered

Division of Taxation and Collection

- Child Support Enforcement
- Corporate Tax
- Fuel Tax
- Personal Tax
- Property Tax Credit
- Sales Tax

Division of Motor Vehicle and Drivers Licensing

- Driver License
- Motor Vehicle Title
- Motor Vehicle Registration
- Motor Vehicle Dealer Registration



Key Products

Division of Taxation and Collection

- Business Tax Collection Case
- Business Tax Registration
- Call Center Contact
- Corporate Income Tax Audit
- Corporate Income Tax Return
- Fuel Tax Return
- Individual Income Tax Collection Case
- Individual Income Tax Return
- Property Tax Credit
- Sales Tax Audit
- Sales Tax Return
- Taxation Field Office Contact
- Withholding Tax Return

Division of Motor Vehicle and Drivers Licensing

- Call Center Contact
- Driver License - Initial
- Driver License - Renewal
- Motor Vehicle and Driver License Field Office Contact
- Motor Vehicle Registration
- Motor Vehicle Title

Division of Administration

- Bank Deposit
- Criminal Investigation Case
- Legal Case
- Mail Delivery – Incoming and Outgoing
- Quality Trained Employee
- Technology Application
- Technology Infrastructure
- Telecommunication Connection



Outcomes

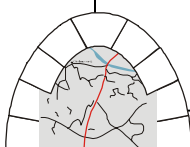
The department identified four outcomes that are key to measuring its success in meeting the needs and expectations of Missouri citizens. The operating divisions, the Division of Taxation and Collection and the Division of Motor Vehicle and Drivers Licensing, identified measures for each outcome.

Increased Customer Satisfaction is an indicator of how well the department is serving the citizens of Missouri in the delivery of the department's key products of individual income tax filing, motor vehicle registration, driver license issuance, and sales tax filing.

Increased Voluntary Compliance measures the department's effectiveness in educating its customers on the importance of complying with laws and regulations and how effective the department is in delivering its key products so that citizens register and file voluntarily.

Decreased Cost of Compliance seeks to continually reduce the cost of government operations, products, services, and programs to citizens. This includes both the cost to do business with the department (customer time and cost) and the cost to operate the department (state's cost). The department continuously examines its processes to eliminate all non-value added time and effort.

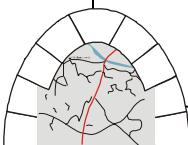
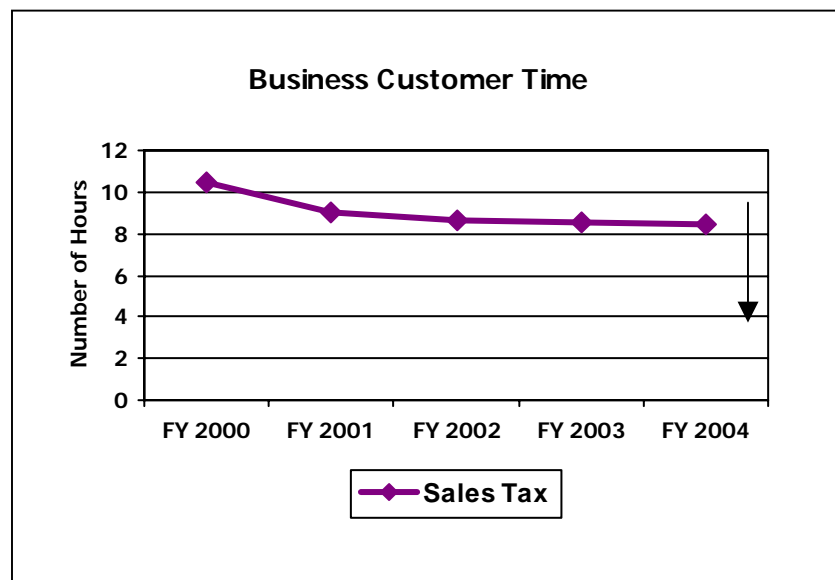
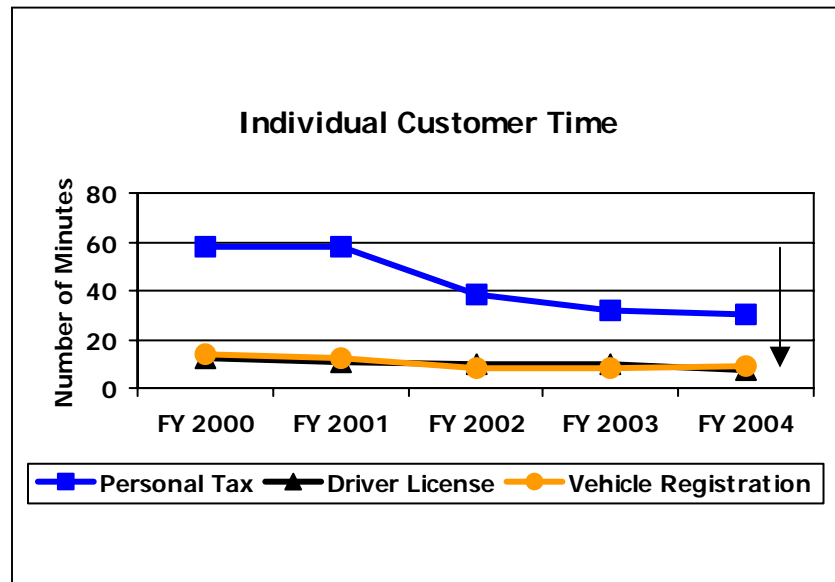
Increased Quality Performance focuses on the quality of the work by the department's staff and how well operational processes are functioning. In this area, root causes of errors and bottlenecks in processes are identified and solutions to eliminate them are implemented. This can range from the reorganization of a work process to specific job training for employees.



Increased Customer Satisfaction

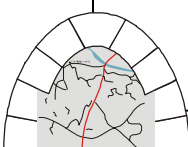
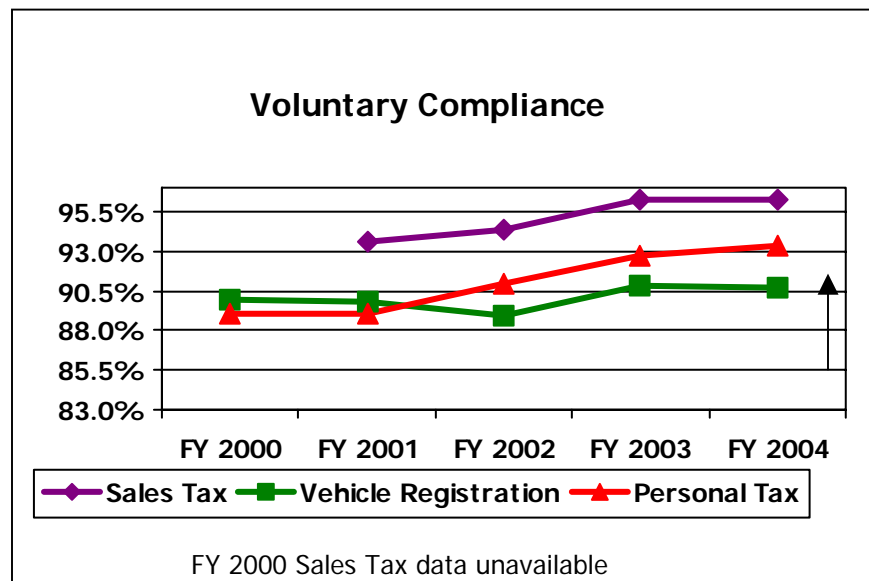
Time a customer spends annually for vehicle registration, personal income tax filing, and driver license issuance.

Average annual time a business spends to file sales tax returns.



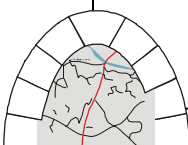
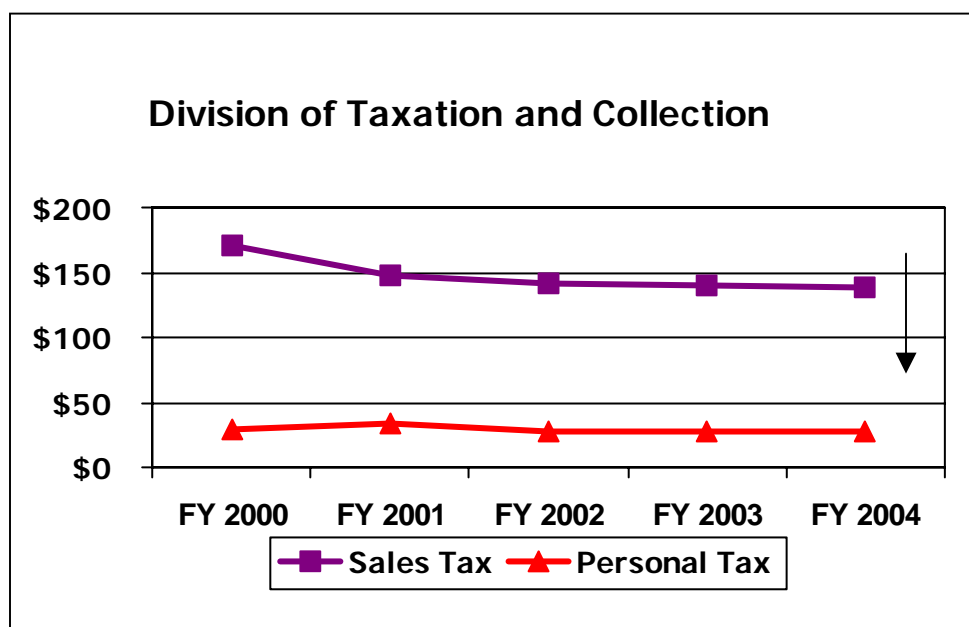
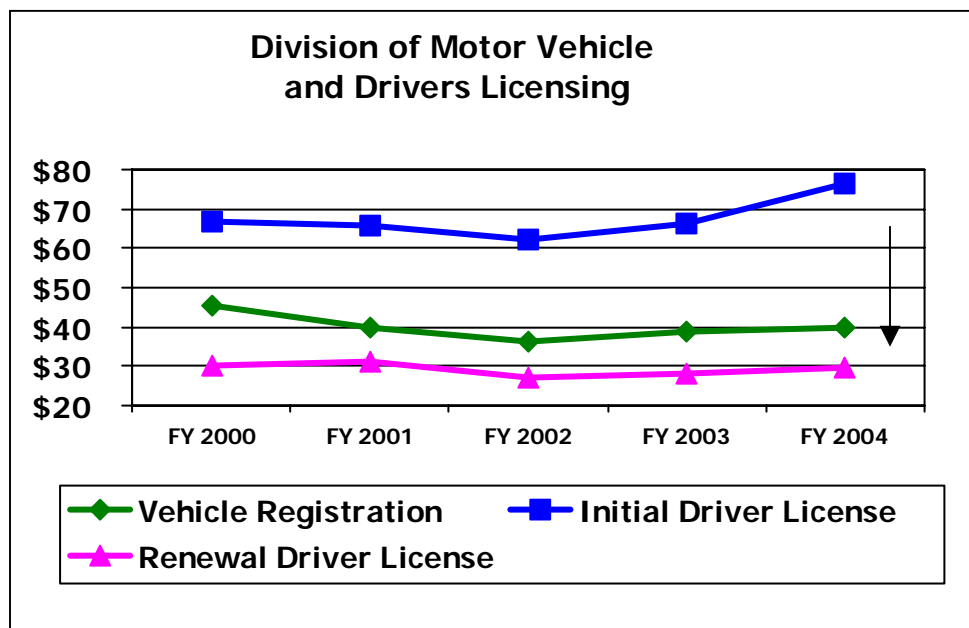
Increased Voluntary Compliance

Percent of vehicle registrations, personal income tax filings, and sales tax returns completed accurately, correctly, and timely by the customer.



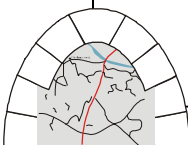
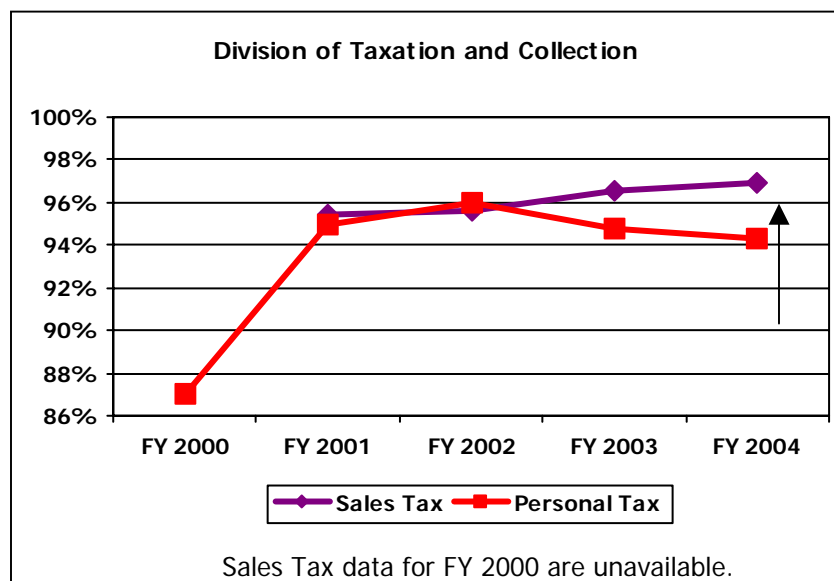
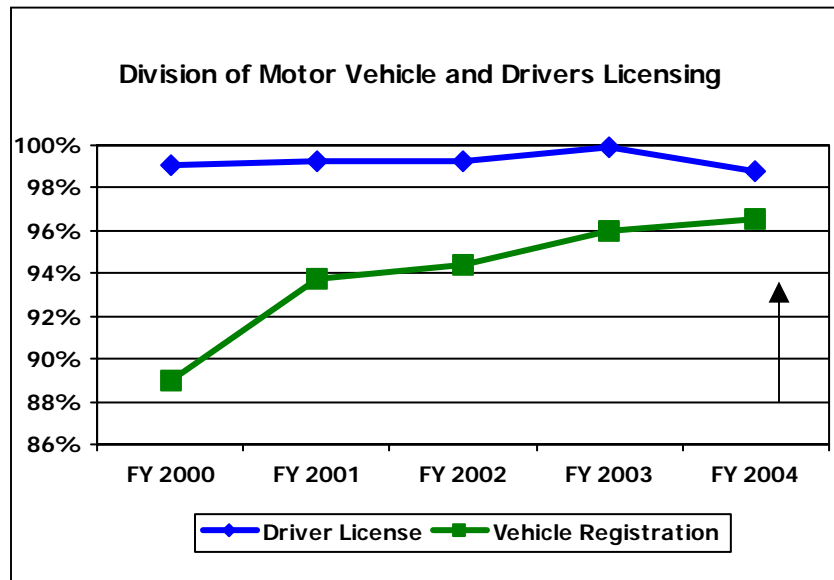
Decreased Cost of Compliance

Cost of the time and amount of the fees a customer spends annually for vehicle registration, personal income tax filing, driver license issuance, and the average annual cost of time a business spends to file sales tax returns plus the department's annual cost. (Note: Cost of customer time is calculated by using Missouri's average annual wage as determined by the U.S. Department of Labor, Bureau of Labor Statistics. Last data available is May 2003. Data does not include fringe benefits.)



Increased Quality Performance

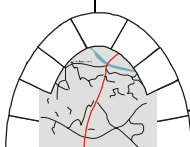
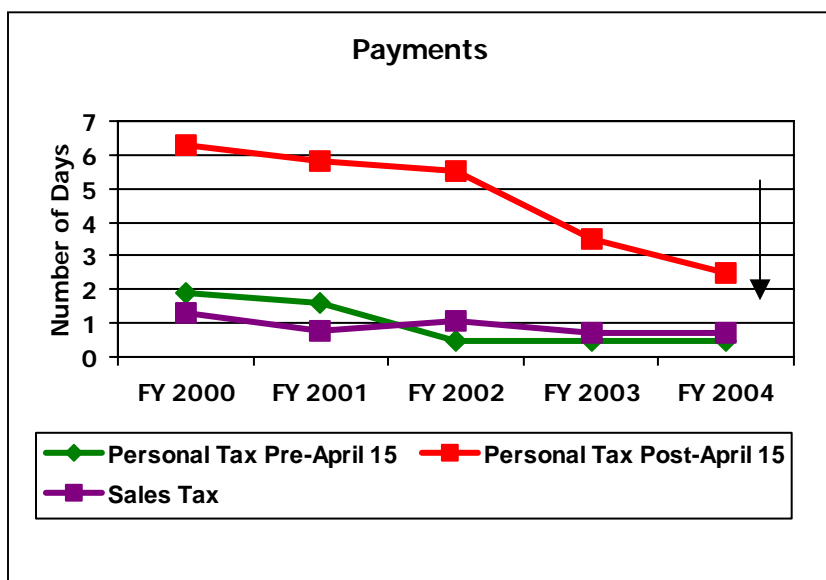
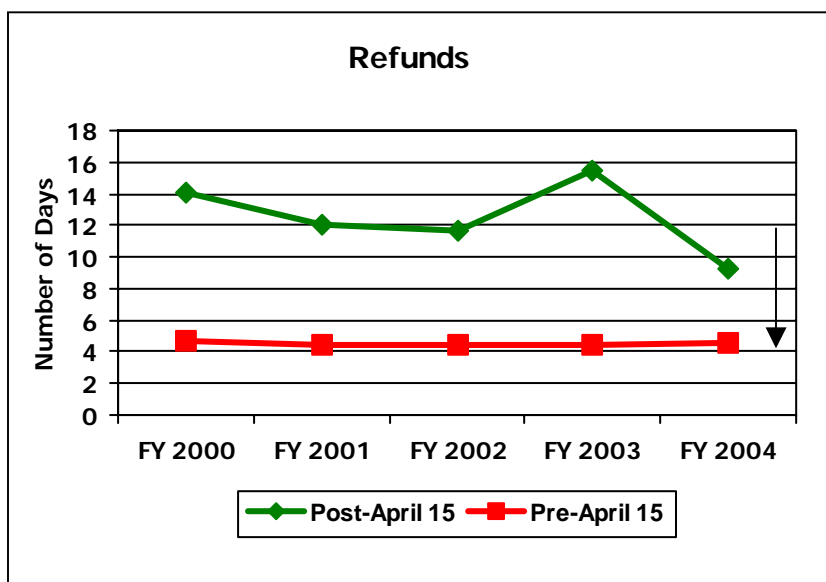
Percent of driver licenses issued, vehicle registrations, personal income tax returns, and sales tax returns processed correctly by the department the first time.



Increased Quality Performance, continued

Number of days to process personal income tax refunds.

Number of days to deposit personal income tax and sales tax payments.

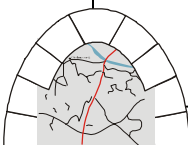
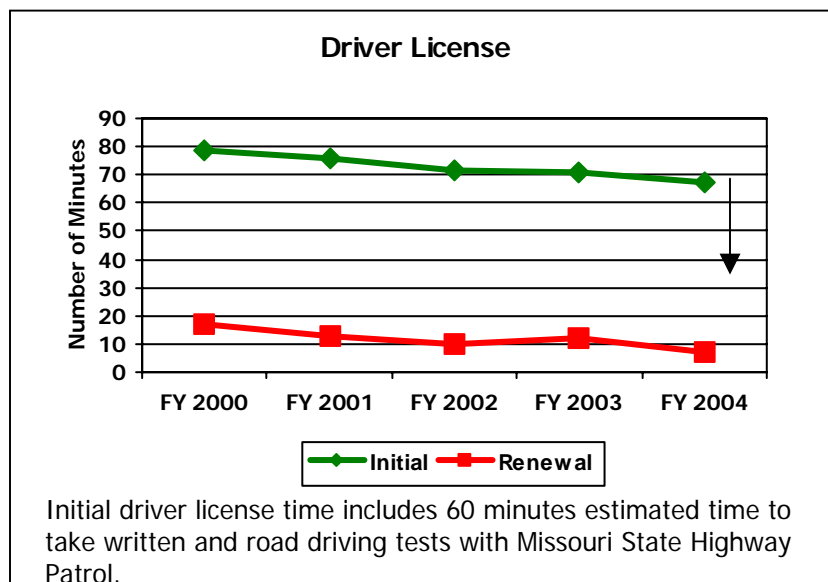
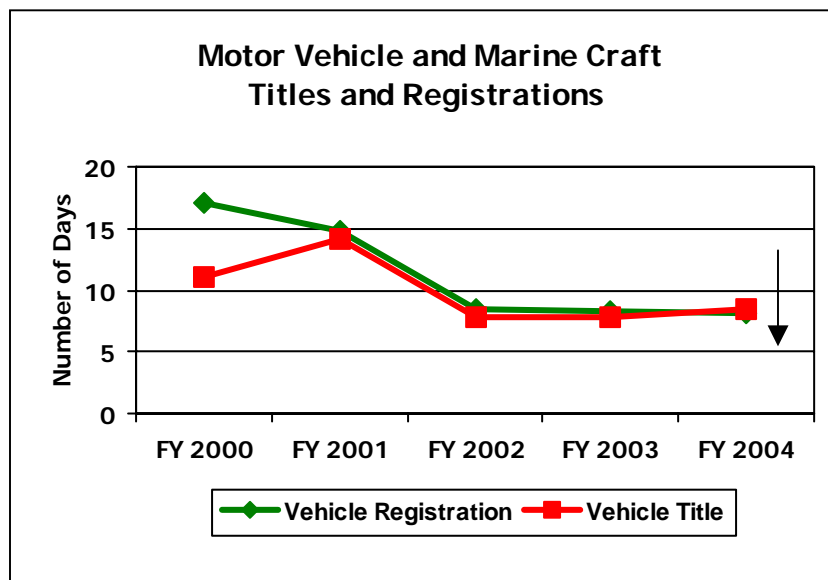


Increased Quality Performance, continued

Number of days to process motor vehicle or marine craft titles.

Number of days to process motor vehicle or marine craft registrations.

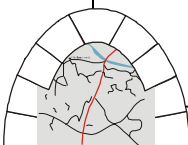
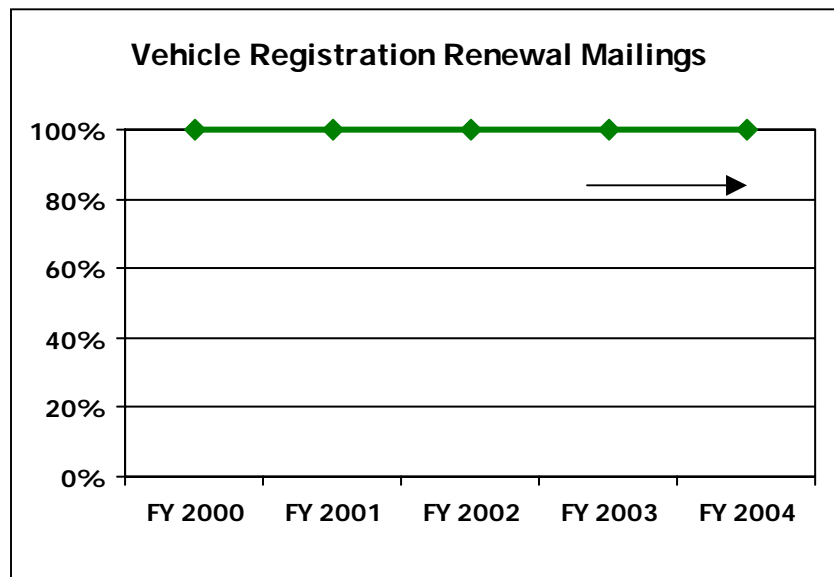
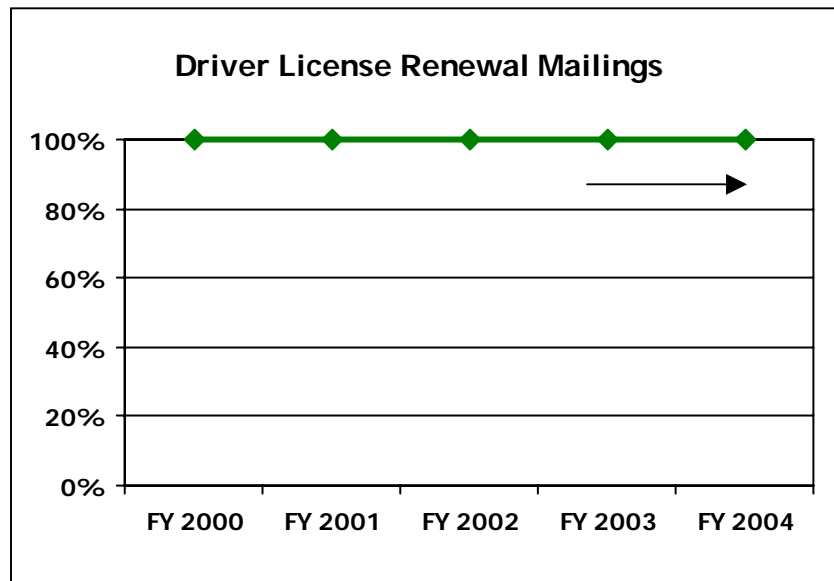
Number of minutes to process driver licenses.



Increased Quality Performance, continued

Percent of time driver license renewal notifications are mailed on time.

Percent of time motor vehicle and marine craft registration renewal notifications are mailed on time.



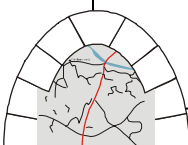
Strategic Issues

Strategic issues are identified barriers or opportunities for improvement in the department's ability to function in the most efficient and effective manner in the collection of revenue, meeting customer expectations, and providing a working environment for employees conducive to their professional and personal development.

Coupling strategic issues with key products enables the department to monitor its performance in order to simplify operations on a macro- and micro-level. Strategic issues encompass the macro view in addressing department-wide issues. Many of the strategic issues identified are areas of general business improvement while others are special-purpose in nature.

Members of the department's Executive Leadership Team are selected for lead role positions in developing strategies and action plans to negate the issue's impact on the department's operation. The Missouri Quality Award (MQA) Criteria categories (mirrored after the Malcolm Baldrige national quality award) are used as a management tool to guide improvement in the strategic issue area.

The goal in Fiscal Year 2005 is to develop strategies with accompanying action plans in order to enhance the department's performance in the strategic issue areas based on the key concepts of the associated category criteria. Beginning in Fiscal Year 2006 or sooner where possible, the category team leader will implement the action plans.



Strategic Issues with Explanatory Statements

a) Improve communication

Improve customer and employee relations by systematically ensuring they receive the information they need clearly, timely, and in a useful form.

b) Secure adequate resources for the department

Ensure the department has sufficient resources to efficiently and effectively fulfill its vision, mission, values, outcomes, and legal responsibilities.

c) Validate the department's understanding of customer expectations

Understand current and anticipate future customer expectations in order to design products and processes that satisfy customers.

d) Make the Department of Revenue a great place to work

Clear communication of expectations and a commitment to excellence and innovation creates a seamless organization, encourages fun, and promotes respect for colleagues.

e) Ensure the viability of information technology

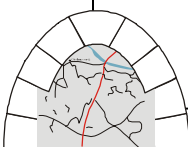
Use of appropriate technology is essential to achieving departmental outcomes.

f) Foster central office relations with field offices (including agent offices)

Ensure field offices have the tools, information, and resources to achieve the department's strategic outcomes.

g) Optimize and standardize departmental measures

Optimize and standardize performance measures to communicate more effectively the department's strategic and operational results.



h) Expand alternative service delivery methods

Make interactions with the department accessible and convenient through alternative and innovative delivery methods.

i) Explore a Customer Relationship Management system

Explore the feasibility of an integrated system that enhances customer service and process improvement by providing employees with all pertinent information.

j) Ensure business continuity

Ensure continuous service delivery of the department's processes and products to its customers.

k) Ensure a sufficient, quality, and diverse workforce

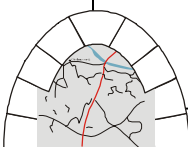
Practice our commitment to hire, train, develop, and maintain a sufficient, highly skilled, and diverse workforce.

l) Foster business relationships and partnerships

Develop and maintain appropriate third-party relationships to improve departmental efficiency.

m) Ensure security and privacy

Protect privacy of information and provide workplace, data, and personal security by establishing and communicating standards and processes consistent with the law.



Linkage of Strategic Issues to Missouri Quality Award Categories

Category 1: Leadership

Director of Revenue and Deputy Director of Revenue, Category Co-Lead

- Improve communication
- Make the Department of Revenue a great place to work
- Foster central office relations with field offices (including agent offices)
- Ensure security and privacy

Category 2: Strategic Planning

Director of Budget and Strategic Planning, Category Lead

- Secure adequate resources for the department
- Ensure the viability of information technology

Category 3: Customer and Market Focus

Public Information Officer, Category Lead

- Validate the department's understanding of customer expectations
- Expand alternative service delivery methods
- Explore a customer relationship management (CRM) system

Category 4: Measurement, Analysis, and Knowledge Management

Director of Budget and Strategic Planning, Category Lead

- Optimize and standardize departmental measures

Category 5: Human Resource Focus

Human Resource Services and Development Administrator, Category Lead

- Ensure a sufficient, quality, and diverse workforce

Category 6: Process Management

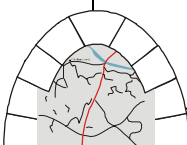
Deputy Department Director, Category Lead

- Ensure business continuity
- Foster business relationships and partnerships

Category 7: Results

Executive Leadership Team members, Category Co-Lead

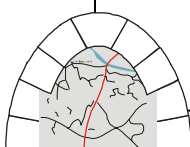
The Results category encompasses improvements the department achieved in the areas of strategic issues and key products. The department has developed a set of measures for key products including strategies to achieve targets. Improvement in strategic issue areas is measured on progress of identified "opportunities for improvement."



Programs Administered

The department administers taxation, motor vehicle, and driver programs that collect over 95 percent of General Revenue and approximately \$2.5 billion in other state funds. Each program consists of one or more key departmental products that contribute to the program. For example, the Personal Tax Program consists of the following products: Individual Income Tax Return, Individual Income Tax Collection Case, Withholding Tax Return, a portion of Call Center Contact and Field Office Contact in the Division of Taxation, and the applicable portion of the Division of Administration related product costs.

The department measures financial data of revenue generated and cost expressed as a ratio at the program level to determine the effectiveness of the program as administered by the department. Departmental leadership reviews the information on a monthly, quarterly, and annual basis to determine if revenue and revenue-to-expenditure ratios are trending positive.



Division of Taxation and Collection

Corporate Tax:

Revenue generated (in millions, net of refunds)

FY1999 Baseline	FY 2002	FY 2003	FY 2004
\$276.0	\$261.4	\$249.7	\$300.6

Revenue to expenditure ratio (including fringe benefits and leasing)

FY1999 Baseline	FY 2002	FY 2003	FY 2004
N/A	\$51:\$1	\$53:\$1	\$61:\$1

Fuel Tax:

Revenue generated (in millions, before refunds)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$719.8	\$719.8	735.0	\$760.0

Revenue to expenditure ratio (including fringe benefits and leasing)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$300:\$1	\$300:\$1	\$333:\$1	\$325:\$1

Personal Tax:

Revenue generated (in billions, net of refunds)

FY1999 Baseline	FY 2002	FY 2003	FY 2004
\$3.2	\$3.8	\$3.7	\$3.9

Revenue to expenditure ratio (including fringe benefits and leasing)

FY1999 Baseline	FY 2002	FY 2003	FY 2004
N/A	\$229:\$1	\$234:\$1	\$241:\$1

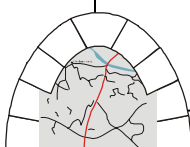
Sales Tax:

Revenue generated (in billions, General Revenue only before refunds)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$1.683	\$1.683	\$1.674	\$1.766

Revenue to expenditure ratio (including fringe benefits and leasing)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$79:\$1	\$79:\$1	\$84:\$1	\$85:\$1



Property Tax Credit:

Cost to process claims (in millions, including fringe benefits and leasing)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$1.792	\$1.792	\$1.657	\$1.741

Number of claims processed

FY2002 Baseline	FY 2002	FY 2003	FY 2004
297,554	297,554	293,941	257,007

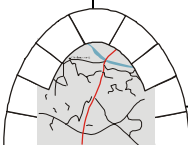
Child Support Enforcement:

Cost of vendor payments (in millions)

FY2004 Baseline	FY 2004	Projected FY 2005	FY 2006
\$8.3	\$8.3	\$7.1	N/A

Number of transactions processed

FY2004 Baseline	FY 2004	Projected FY 2005	FY 2006
3,652,658	3,652,658	3,620,004	N/A



**Division of
Motor
Vehicle and
Drivers
Licensing**

Driver License:

Revenue generated (in millions)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$24.1	\$24.1	\$25.5	\$15.0

Revenue to expenditure ratio (including fringe benefits and leasing)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$1.49:\$1	\$1.49:\$1	\$1.57:\$1	\$1:00:\$1

Motor Vehicle Title:

Revenue generated (in millions)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$640.7	\$640.7	\$625.5	\$645.3

Revenue to expenditure ratio (including fringe benefits and leasing)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$33:\$1	\$33:\$1	\$33:\$1	\$32:\$1

Motor Vehicle Registration:

Revenue generated (in millions)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$147.6	\$147.6	\$151.3	153.7

Revenue to expenditure ratio (including fringe benefits and leasing)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$13:\$1	\$13:\$1	\$13:\$1	\$12:\$1

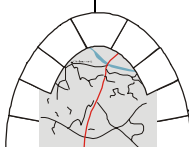
Motor Vehicle Dealer Registration:

Revenue generated (in millions)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$1.6	\$1.6	\$1.7	\$1.8

Revenue to expenditure ratio (including fringe benefits and leasing)

FY2002 Baseline	FY 2002	FY 2003	FY 2004
\$1.14:\$1	\$1.14:\$1	\$1.18:\$1	\$1.27:\$1

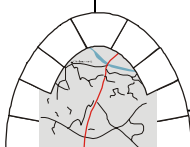


Key Products

The department's Executive Leadership Team identified key products that are critical to the department achieving its four outcomes. Baseline data, benchmarks, strategies, and targets for these products have been identified and further developed each year.

The product owners utilize a broad set of metrics on a daily and weekly basis to ensure their strategies and measures are appropriate. Monthly divisional communication through electronic or face-to-face meetings is conducted with the division's director and deputy director to analyze key divisional measures. Department-wide reviews by senior leadership are conducted quarterly. During these reviews, product owners present data on volume, cycle time, yield, and customer satisfaction. Strategies in place to meet targets are discussed and successes celebrated.

Maintaining focus on critical products provides assurance that the department is providing an efficient and effective revenue collection process, as expressed in the program financial data, and providing the best customer service to the citizens of Missouri.



Division of Taxation and Collection

- Business Tax Collection Case
- Business Tax Registration
- Call Center Contact
- Corporate Income Tax Audit
- Corporate Tax Return
- Field Office Contact
- Fuel Tax Return
- Individual Income Tax Collection Case
- Individual Income Tax Return
- Property Tax Credit
- Sales Tax Audit
- Sales Tax Return
- Withholding Tax Return



Business Tax Collection Case

Measure	FY 1999	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A. Iowa	B.	C.	FY 2005	FY 2006	FY 2007
Number of accounts opened	108,583	96,000	97,462	96,000	92,314	91,000	95,962				93,000	87,000	86,000
Number and type of accounts closed:													
Total	105,257	N/A	104,184	103,000	89,146	90,000	96,277				94,000	90,000	88,000
Payments	61,221	N/A	46,262	57,800	41,892	45,000	41,369				45,000	44,000	44,000
Information	43,679	47,520	57,363	44,600	46,878	44,500	54,415				48,400	42,300	43,250
Pay Plans	357	N/A	559	600	376	500	493				600	700	750
Total amount of collections (in millions)	\$104.0	\$120.0	\$118.3	\$119.0	\$135.9	\$128	\$117.8				\$121	\$124	\$126
Percentage of cases closed by timeframes:													
1-90 days	88%	90% in	85%	90% in	83%	90% in 90	86%	69%			90% in 90	90% in 90	90% in
91-180 days	8%	90 days	8%	90 days	8%	days	8%	within			days	days	90 days
181-364 days	2%		3%		3%		3%	180					
1 + years	2%		4%		6%		3%	days					

Strategies:

- Convert Missouri Integrated Tax System (MITS) notices to a tear-off form to facilitate payment processing
- Develop web filing for sales and withholding tax accounts
- Work with American Management Systems (AMS), the vendor, to improve business tax account collections
 - Continue installation of Computer Assisted Collection System (CACS+) upgrade and STRATA, a decision-making engine software
 - Install Internet Installment Agreement Program
 - Review Outside Collection Agency Process
- Develop Vendor Payment Intercept Program



Business Tax Registration

Measure	FY 2002 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of new registration applications processed: Paper Internet Field Office	25,099 2,572	Established baseline in Fiscal Year 2002	25,099 2,572		26,276 2,763		23,713 5,003 8,907						
Number of days to process new registration applications	4		4		4	2	5				3	3	3
Percentage of new registration applications submitted correctly	71%		71%		72%	75%	68%				80%	85%	85%
Number of exemption applications processed	10,290		10,290		6,232		5,020						
Average number of days to process exemption applications	9		9		6	2	3.15				2	2	2
Percentage of exemption applications submitted correctly	58% (FY-2003)		N/A		58%	75%	62%				75%	75%	75%
Number of file maintenance transactions processed	77,410		77,410		52,637		66,471						
Average number of days to process file maintenance transactions	31		31		17	15	8				10	10	10
Number of cash bond refunds issued	6,206		6,206		4,752		5,122						
Average number of days to process cash bond refunds	10		10		10	9	7				7	7	7



Business Tax Registration Strategies:

Registration and File Maintenance

- Complete the review of the Consolidated Registration (COREG) and paper application signature requirements
- Complete the application to post COREG bonds online
- Implement automatic entry into mainframe system as phase II of COREG
- Eliminate clerical sorting and entry of file maintenance into Computer Assisted Collection System (CACS)
- Add two new post office boxes in support of reducing manual sorting of incoming work
- Complete the institution of a daily "triage" system of assigning resources to products

Exemptions

- Complete the revisions to the pollution control exemption process
- Continue to revise the Electrical Energy Direct Pay (EEDP) exemption process
- Continue to review the exemption application and process to facilitate providing all documentation



Call Center Contact

Measure	FY 2002 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. Purdue Call Center Study	B.	C.	FY 2005	FY 2006	FY 2007
Delinquent Tax Line (751-7200):		Baseline established in Fiscal Year 2002											
Percentage of correct answers	100%		100%	100%	100%	100%	100%				100%	100%	100%
Percentage of quality answers	100%		100%	100%	100%	100%	100%				100%	100%	100%
Percentage of inquiries completed in one call	93%		93%	97%	94%	97%	97%	73%			97%	97%	97%
Percentage of accounts resolved	(FY-2004) 42%		N/A	N/A	N/A	85%	42%				70%	70%	70%
Percentage of abandoned calls	4%		4%	3%	8%	8%	11%	8%			8%	5%	5%
Percentage of calls receiving a busy signal	8%		8%	10%	14%	10%	27%				10%	10%	10%
Individual Income Tax Inquiry Line (751-3505):													
Percentage of correct answers	100%		100%	100%	100%	100%	98%				100%	100%	100%
Percentage of quality answers	99%		99%	100%	100%	100%	96%				100%	100%	100%
Percentage of inquiries completed in one call	78%		78%	90%	89%	90%	89%	73%			92%	93%	93%
Percentage of abandoned calls	5%		5%	3%	12%	3%	13%	8%			8%	8%	8%
Percentage of calls receiving a busy signal	4%		4%	14%	26%	14%	16%				14%	14%	14%



Call Center Contact Strategies:

Delinquent Tax Line (751-7200)

- Continue to analyze information from trainees to improve training process
- Continue to develop training modules for staff
- Implement STRATA II software application
- Implement Computer Assisted Collection System (CACS) upgrade
- Evaluate the effectiveness of the night-calling staff
- Continue to analyze the strategies to resolve accounts that the Telephone Collection Technicians (TCTs) implement
- Implement and evaluate the Business Process Reengineering (BPR) initiatives

Individual Income Tax Inquiry Line (751-3505)

- Continue to analyze information from trainees to improve training process
- Continue to develop training modules for staff
- Continue to explore other refund inquiry options
- Continue to promote the online refund inquiry option
- Continue to utilize processing information to minimize repeat calls
- Develop training and talking points for the Homestead Exemption Act



Corporate Income Tax Audit

Measure	FY 1999 Baseline	FY 2002 Targets	FY 2002 Results	FY 2003 Targets	FY 2003 Results	FY 2004 Targets	FY 2004 Results	Benchmarks			Targets/Projections		
								A	B.	C.	FY 2005	FY 2006	FY 2007
Number of audits opened	529	525	430	480	393	500	399				510	520	525
Number of audits closed:													
High complexity	116	90	74	110	96	115	95				120	125	130
Medium complexity	406	270	324	300	331	305	309				315	320	325
Low complexity	263	165	283	70	253	80	252				85	90	95
Average findings per audit	(FY 2001) \$19,300	N/A	\$19,217	N/A	\$62,708	N/A	\$19,490				N/A	N/A	N/A
Average number of days in an audit cycle	(FY 2001) 149	140	134	140	146	130	164				125	120	115
Average number of hours per audit	(FY 2001) 30	30	24	28	24	24	24				22	21	20
Percentage of employee turnover	(FY 2001) 16%	13%	11%	11%	11%	11%	8%				9%	8.5%	8%
Number of employees	(FY 2001) 194	200	184	200	186	205	183				210	215	220



Corporate Income Tax Audit Strategies:

- Continue education program for auditors that includes both computer and tax issue training
- Continue Taxpayer Education/Audit Support Group
- Create pay proposal within budget limitations to help auditor recruitment and retention efforts and use the information introduced from the Audit Recruitment Team to increase retention
- Establish an internal certification program for auditors to promote auditor education and to allow for progressing auditors within their pay ranges, thereby helping to reduce auditor turnover
- Develop and utilize computer systems to assist auditors:
 - Create a datamart of current systems to aid in the development of audit lead research and assist in audit procedures
 - Keep current a newly created database of tax issues for the department's use
 - Work with a commercial vendor to create a data warehouse to aid in developing audit leads and an audit component
- Increase central office communication to field office staff:
 - Implement procedure that Jefferson City management visit Missouri field offices and conduct or attend informational meetings at least once a year
 - Implement procedure that staff of the General Counsel's Office visit Missouri field offices once a year
 - Implement procedure that an Audit Review Specialist visit Missouri field offices once a year
- Implement a more aggressive approach to verifying refunds (without increasing field office staff's work) to prevent erroneous claims filed by consultants:
 - Implement procedure where audit staff will be available to work with the refund section
 - Implement a more aggressive procedure to make consultants and professionals more accountable for submitting quality refund applications and documentation



Corporate Tax Return

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A	B.	C.	FY 2005	FY 2006	FY 2007
Number of returns processed (1)	68,009	64,000	39,754	125,000	34,365	280,000	143,565				120,000	120,000	120,000
Percentage of returns processed correctly on the first try	49%	60%	54%	60%	46%	60%	57%				60%	65%	70%
Number of days to process one return					14	7	16				7	6	5
Number of days from receipt to deposit							1.75				1	1	1

Footnote:

- (1) Results are less than targets in Fiscal Years 2003 and 2004 due to technical difficulties in programming updates of the mainframe application.

Strategies:

- Continue to work with the Information Technology Section to integrate the processing of the franchise tax return into the Corporate Income Tax System (COINS)
- Work with the Office of Legislation and Regulations (OLR) to recommend legislative changes to Chapter 147, Franchise Tax, to conform to Chapter 143, Income Tax
- Work with the Internal Revenue Service (IRS) as it develops the state version of the electronic filing of the corporate income tax return



Field Office Contact

Measure	FY 2002 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. Purdue Call Center Study	B.	C.	FY 2005	FY 2006	FY 2007
Percent of first and final calls	91%	Baseline established in Fiscal Year 2002	91%	97%	94%	95%	98%	73%			98%	98%	98%
Percent of accounts resolved	(FY-2004) 48%		N/A	N/A	N/A	N/A	48%				70%	70%	70%

Strategies:

- Continue to evaluate repeat call data
- Implement STRATA II software application
- Implement the Computer Assisted Collection System (CACS) upgrade
- Continue to evaluate the number of staff assigned to each of the field offices
- Implement a customer feedback system
- Develop a process to utilize the collection tools provided in Senate Bill 1394



Fuel Tax Return

Measure	FY 2002 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of paper returns filed	7,979	Established Baseline in Fiscal Year 2002	7,979	9,840	8,284	7,800	8,094				7,600	7,000	6,000
Percentage of returns filed electronically	(FY 2003) 1%		N/A	N/A	1%	7%	3%				7%	14%	29%
Percentage of revenue received through electronic funds transfer (EFT)	0%		N/A	N/A	28%	50%	39%				50%	75%	100%
Number of days from receipt to deposit	1		1	1	1	1	1				1	.5	.5
Number of telephone calls received	18,870		18,870	19,000	18,736	18,500	16,567				16,000	15,000	14,000
Percentage of returns with errors:	15%		15%	10%									
Entry not equal to calculated total			N/A	N/A	6%	5%	5.5%				5%	4%	3%
Entry not equal to schedule calculation totals			N/A	N/A	8%	7%	6%				6%	5%	4%
Number of days to process through initial entry:													
Money Returns	1		1	1	1	1	1				.5	.5	.5
No activity Returns	N/A		N/A	3	2	2	3				2	2	2
Information Only Returns	N/A		N/A	2	2	2	2				2	2	2
Returns with Refunds	N/A		N/A	5	2	2	2				2	2	2



Fuel Tax Return Strategies:

- Continue to reduce the number of paper returns filed by increasing the number of returns filed electronically:
 - Market Electronic Data Interchange (EDI) program to licensees
 - Introduce legislation mandating EDI with phase- in over several years
 - Develop online filing for small returns
- Increase Electronic Fund Transfer (EFT) payments:
 - Market EFT program to licensees
 - Require EFT by regulation
- Reduce telephone calls through brainstorming issues and identifying and implementing solutions
- Reduce errors:
 - Brainstorm issues and identify and implement solutions
 - Increase the number of EDI filers
- Reduce processing time
 - Identify bottlenecks and implement solutions
 - Increase the number of EDI filers
- Reduce processing time on refunds
 - Identify bottlenecks and customer issues
 - Brainstorm and implement solutions



Individual Income Tax Collection Case

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of accounts opened	172,314	185,000	239,456	150,000	194,133	185,000	249,108				301,000	220,000	210,000
Number of accounts closed:													
Total	178,296	185,000	219,003	190,000	188,890	180,000	265,787				306,000	230,000	199,000
Payments	161,166	145,000	178,455	152,000	136,245	144,000	202,191				234,000	172,500	154,000
Information	14,799	38,000	40,548	38,000	52,645	36,000	63,596				72,000	57,500	45,000
Pay plans	2,331	2,000	N/A	N/A	N/A	N/A	N/A						
Total amount of collections (in millions)	\$76.9	\$85	\$73.5	\$80.5	\$73	\$76.5	\$85.5				\$91.55	\$90.4	\$92
Percentage of cases closed by timeframe:													
1 – 90 days	60%	70% in	59%	55% in	62%	70% in	68%				70%	70%	73%
91 –365 days	30%	90 days	28%	90 days	23%	90 days	21%						
1 + years	10%		13%		15%		11%						
Percentage of correspondence answered within 30 days	(FY 2001) 36%	50%	48%	70%	79%	70%	92%				92%	92%	92%
Total amount of pre-billing discovery collections (in millions) (1)	(FY 2001) \$8.4	N/A	\$7.1	\$8.0	\$7.8	\$8.7	\$7				\$10	\$10	\$10

Footnote:

(1) Fiscal Year 2004 Federal match was revised to net refunds.

Strategies:

- Develop strategies to increase referral revenue
- Install and implement Computer Assisted Collection System (CACS) upgrade
- Install and implement STRATA decision-making engine software
- Continue implementation of House Bill 600 for professional licensees



Individual Income Tax Return

Measure	FY 1999	FY 2002		FY 2003		FY 2004		Benchmarks		Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A. California	B. Illinois; Indiana; Delaware	FY 2005	FY 2006	FY 2007
Number of returns processed: (millions)												
Total	2.7	2.8	2.7	2.7	2.7	2.7	2.7			2.75	2.8	2.8
Paper	2.3	1.9	1.8	1.7	1.6	1.6	1.5			1.4	1.35	1.3
Telefile	.08	.1	.06	.085	.05	.06	.06			.06	.06	.06
Electronic	.40	.8	.90	.935	1.0	1.1	1.2			1.3	1.4	1.45
Percentage of returns processed correctly on the first try:												
Paper	69%	82%	82%	83%	82%	83%	82%		IL 86.66%	83%	84%	85%
Telefile	93%	93%	94%	94%	99%	99%	94%	72%	IN 91.5%	99%	99%	99%
Electronic	88%	95%	95%	95%	96%	97%	95%		IN 96.03%	97%	97%	97%
Percentage of filers utilizing filing options:	(FY 2000)											
Long Form 1040	46%	39%	34%	33%	30%	28%	28%			21%	20%	19%
Short Forms (ABC)	24%	24%	22%	21%	20%	20%	18%			14%	13%	12%
Technology Filers	30%	37%	44%	46%	50%	52%	54%			65%	67%	68%
Percentage of filers receiving a Notice of Adjustment	16%	8%	9%	7%	7.3%	7.0%	6.7%	8.1%	IL 21.55%	6.6%	6.5%	6.4%
Average number of days to receive a refund:									IN 4-12 wk paper 3-11 wk dir dep			
Pre-April 15	14	4.5	4.4	4.3	13	4.3	4.6	15.4 d paper	IL 90 dy paper	4.3	4.3	4.3
Post-April 15		13.9	33.5	13.7	56.6	13.5	9.2	2 d electronic	10 dy elect	8.7	8.5	8.3
Average number of days to make a deposit:	(FY 2000)											
Pre-April 15	1.9	1.6	.46	.5	.48	.43	.49	1	IL 1.3 days	.40	.38	.36
Post-April 15	6.3	6.5	5.5	6.0	3.5	3.5	2.5	8-12	DE 3 days	2.5	2.5	2.5
Number of days to process one return:												
Paper	21	6.7	4.6	4.6	5.9	5.0	4.8			4.5	4.4	4.3
Telefile	6	4.4	4.3	4.3	4.2	4.3	4.3			4.3	4.3	4.3
Electronic	6	4.3	4.3	4.3	4.2	4.3	4.3			4.3	4.3	4.3

Strategies:

- Continue to simplify the income tax form and instructions
- Emphasize technology filing methods in booklets and on the web page
- Explore the possibility of following the Internal Revenue Service (IRS) in setting a new e-file due date
- Continue revising the processing system and procedures to reduce data entry errors
- Continue analyzing and eliminating edits in the system that flag returns for review when changes are not needed to the return



Property Tax Credit

Measure	FY 2001	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A.	B. Illinois	C.	FY 2005	FY 2006	FY 2007
Number of returns processed	292,981	322,554	297,554	242,569	293,941	270,000	257,007				260,000	265,000	265,000
Number of days to process returns:													
Paper	5	4.6	4.8	4.2	4.4	4.2	5.2				4.2	4.2	4.2
Electronic	4.6	4	4.4	4.2	4.4	4.2	5.2				4.2	4.2	4.2
Returns with errors	22	15	22	16	26	15	32				15.0	8.0	8.0
Number of days to receive a refund (with delay)	13.3	8	5	4.2	6.2	4.2	6.8		90+		4.2	4.2	4.2
Percentage of claims processed on first try:													
Paper	62%	80%	67.5%	80%	70%	80%	81%				82%	84%	85%
Electronic	77%	80%	77%	80%	73%	80%	88%				90%	90%	90%
Percentage of correspondence answered within 30 days	72%	72%	66%	80%	53%	80%	FY 41%				80%	83%	85%

Strategies:

- Continue to simplify the forms and instructions
- Continue to explore system improvements and adding additional screen edits
- Review hiring schedule, increase training, and improve training manual for temporary employees
- Continue to improve training program for full-time employees
- Improve communication of changes to Property Tax Credit (PTC) program and other personal tax programs
- Implement Homestead Preservation Act Program enacted by SB 730



Sales Tax Audit

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of audits opened	2,642	2,400	2,165	2,400	2,200	2,500	2,132				2,550	2,600	2,650
Number of audits closed:													
High complexity	432	360	321	360	392	375	351				390	395	400
Medium complexity	1,334	1,020	1,015	1,020	1,055	1,063	1,045				1,105	1,150	1,200
Low complexity	1,349	1,020	1,215	1,020	1,164	1,062	1,149				1,105	1,150	1,200
Average findings generated per audit	(FY 2001) \$11,790	N/A	\$11,993	N/A	\$16,543	N/A	\$24,921				N/A	N/A	N/A
Average number of days in audit cycle	205	210	200	200	201	190	190				180	175	170
Average number of hours per audit	(FY 2001) 74	70	62	65	53	60	61				58	56	50
Percentage of employee turnover	(FY 2001) 16%	N/A	11%	11%	11%	11%	8%				9%	8.5%	8%
Number of employees	(FY 2001) 195	N/A	184	200	186	205	183				210	215	220



Sales Tax Audit Strategies:

- Increase audit efficiency and taxpayer education by improving audit selection, analysis, and industry research through the use of available technologies
- Create pay proposal within budget limitations to help auditor retention and recruitment efforts and use the information introduced from the Audit Recruitment Team to increase retention
- Expand internal certification program for auditors to promote auditor education and to allow for progressing auditors within their pay ranges, thereby helping reduce auditor turnover
- Continue Taxpayer Education/Audit Support Group
- Develop and utilize computer systems to assist auditors:
 - Create a datamart of current systems to aid in the development of audit lead research and assist in audit procedures
 - Keep current a newly created database of tax issues for the department's use
 - Work with a commercial vendor to create a data warehouse to aid in developing audit leads and an audit component
- Increase central office communication to the field office staff:
 - Implement procedure that Jefferson City management visit Missouri field offices and conduct or attend informational meetings three times a year
 - Implement procedure that staff of the General Counsel's Office visit Missouri field offices once each year
 - Implement procedure that an Audit Review Specialist visit Missouri field offices once each year
- Implement a more aggressive approach to verifying refunds (without increasing field office staff's work) to prevent erroneous claims filed by consultants:
 - Implement procedure where audit staff will be available to work with the refund section
 - Implement a more aggressive procedure to make consultants and professionals more accountable for submitting quality refund applications and documentation
- Begin working with the department's public information officer to create press releases on pertinent audit and refund issues to notify the general public of these issues



Sales Tax Return

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. Iowa Illinois	B. Florida	C. Delaware	FY 2005	FY 2006	FY 2007
Number of returns processed	807,780	+/- .5%	668,167	+/- .5%	667,719		659,251						
Percentage of returns processed correctly the first time:													
Long form	85%	93%	89%	92%	91%	92%	92%		89.9%		93%	94%	94%
Voucher	87%	93%	91%	92%	94%	95%	95%				96%	96%	96%
Percentage of returns with errors	14%	7%	10%	8%	7.2%	7%	6.8%	(IA) 11.4%	13.3%	29%	6%	5%	5%
Percentage of returns with taxpayer errors	(FY 2001) 6.4%	N/A	5.6%	4.4%	3.75%	3.7%	3.7%				3.3%	3%	3%
Percentage of returns filed electronically	2%	9%	4.1%	5%	4.1%	5%	3%				10%	15%	20%
Number of days to process one return:	(FY 2000)												
Long form	4.78	3.0	3.56	3.0	2.98	2.8	2.8				2.7	2.5	2.5
Voucher	2.71	1.5	1.20	1.2	1.14	1.1	1.06			4.8	1.1	1.1	1.1
Average number of days from receipt in mail room to deposit	(FY 2001) .8	.7	1.09	.8	.74	.7	.74	(IL) 1.3	.39	.53	.6	.5	.5
Cost to customers (time and money) to produce one	\$3.12	\$1.10	\$2.52	\$2.39	\$2.53		\$3.50						



Sales Tax Return Strategies:

- Add the ability to the Missouri Sales/Use Tax System (MITS-MOST) to key returns with locations out of sequence
- Continue to enhance the current return edit and entry processes
- Develop a tear-off payment voucher and modify existing systems that will permit delinquent payments to be processed by the automated Remittance Processing System (RPS)
- Explore/Develop/Expand new alternative filing options for returns such as online filing
- Continue to work with Office of Legislation and Regulations (OLR) to draft legislation to change withholding tax and sales tax due dates so that they always fall two weeks apart
- Enhance current Electronic Payment applications to provide the taxpayer the ability to make billing payments and return payments



Withholding Tax Return

Measure	FY 2002 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. MO Sales Voucher	B. FL Sales Voucher	C. DE Sales Voucher	FY 2005	FY 2006	FY 2007
Number of returns filed	926,067	Established Baseline in Fiscal Year 2002	926,067	N/A	960,928	N/A	963,790						
Number of returns processed correctly on the first try	95%		95%	96%	95%	96%	95%	93.2%	89.9%		96%	96%	96%
Percentage of returns with taxpayer errors (returns on Error Wrap as a result of taxpayer error)	(FY-2003) 2.6%		1.8% (Based on 3 months data)	3.5%	2.6%	2.3%	3.1%	3.7%			2.3%	2%	2%
Percentage of returns filed electronically	6.6%		6.6%	7%	13.9%	18%	16.8%	3%			18%	20%	22%
Number of days to process 941 form from start to finish	2.39		2.39	2.0	1.83	1.5	1.5	1.06		4.8	1.5	1.5	1.5
Number of days to deposit revenue on 941 return	.94		.94	1.0	.56	.5	.3	.74	.39	.54	.3	.3	.3

Strategies:

- Work with the Office of Legislation and Regulations (OLR) to draft legislation to change withholding tax and sales tax due dates so that they always fall two weeks apart
- Work with the OLR to draft legislation to eliminate the withholding tax compensation deduction or change to a flat rate to reduce errors
- Promote electronic filing options through a mass mailing, the web site, Employers' Tax Guide, and vouchers



Division of Motor Vehicle and Drivers Licensing

- Driver License – Initial
- Driver License – Renewal
- Driver License – Withdrawal
- Motor Vehicle and Driver License Call Center Contact
- Motor Vehicle and Driver License Field Office Contact
- Motor Vehicle Registration
- Motor Vehicle Title



Driver License - Initial

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of licenses produced:													
Total	369,924	381,837	390,813	389,474	377,142	521,756	512,199				522,443	532,892	543,549
Initial	369,924	381,837	390,813	389,474	377,142	381,140	381,654				389,287	397,073	405,014
Non-driver	N/A	N/A	N/A		N/A	140,616	130,545				133,156	135,819	138,535
Percentage of driver licenses produced correctly on the first attempt	(FY-2004) 98.8%						98.95%				99.0%	99.5%	99.9%
Customer's cost to obtain license:													
Initial	\$40.04	\$39.21	\$38.02	\$40.79	\$41.21	\$45.60	\$44.49						
Non-driver	N/A	N/A	N/A	N/A	N/A	\$21.62	21.84						

Strategies:

- Conduct training programs for central and field office staff:
 - Over-the-Counter (OTC) system enhancements
 - Fraudulent Document Recognition
 - Procedural training on new legislation



Driver License – Renewal

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of renewal licenses produced	1,461,821	1,494,870	1,558,440	1,524,441	1,677,384	452,137	468,252				525,596	896,883	785,474
Percentage of driver licenses produced correctly on the first attempt	(FY-2004) 98.8%					Baseline established in FY-2004	98.95%				99.0%	99.5%	99.9%
Customer's cost to obtain license	\$26.14	\$26.23	\$22.80	\$25.44	\$23.98	\$33.32	\$22.81						

Strategies:

- Conduct training programs for central and field office staff:
 - Over-the-Counter (OTC) system enhancements
 - Fraudulent Document Recognition
 - Procedural training on new legislation



Motor Vehicle and Driver License Call Center Contact

Measure	FY 2002 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. AZ	B. WA	C. VA	FY 2005	FY 2006	FY 2007
Customer Assistance Bureau Motor Vehicle:		Baseline established in Fiscal Year 2002											
Percentage of calls deflected	54%		54%	35%	66%	N/A	69%	N/A	0.2%	20%	40%	35%	30%
Percentage of calls abandoned	11%		11%	11%	10%	11%	11%	18%	3%	4%	9%	9%	8%
Percentage of quality answers	95%		95%	100	97%	100%	96%	90%	92%	90%	100%	100%	100%
Percentage of correct answers	97%		97%	100%	97%	100%	95%	90%	95%	90%	100%	100%	100%
Customer Assistance Bureau Driver License:													
Percentage of calls deflected	31%		31%	25%	20%	N/A	21%	N/A	8%	20%	17%	16%	15%
Percentage of calls abandoned	2.8%		2.8%	2.5%	2.0%	3.0%	3.0%	18%	9%	4%	2%	1.5%	1.5%
Percentage of quality answers	99%		99%	100%	100%	100%	100%	90%	92%	90%	100%	100%	100%
Percentage of correct answers	100%		100%	100%	100%	100%	100%	90%	95%	90%	100%	100%	100%
Driver and Vehicle Services Bureau Motor Vehicle:													
Percentage of calls deflected	50%		50%	30%	33%	N/A	22%	N/A	0.2%	20%	19%	18%	17%
Percentage of calls abandoned	5.8%		5.8%	4.0%	6.0%	7.0%	7.0%	18%	3%	4%	5%	4%	3%
Percentage of quality answers	96%		96%	100%	99%	100%	98%	90%	92%	90%	100%	100%	100%
Percentage of correct answers	100%		100%	100%	99%	100%	100%	90%	95%	90%	100%	100%	100%
Driver and Vehicle Services Bureau Driver License:													
Percentage of calls deflected	5.8%		5.8%	5.0%	7.0%	N/A	7.0%	N/A	8%	20%	6.00%	5.00%	4.00%
Percentage of calls abandoned	1.5%		1.5%	2.0%	2.0%	2.0%	2.0%	18%	9%	4%	1.75%	1.75%	1.50%
Percentage of quality answers	100%	100%	100%	100%	100%	100%	90%	92%	90%	100%	100%	100%	
Percentage of correct answers	100%	100%	100%	100%	100%	100%	90%	95%	90%	100%	100%	100%	



Motor Vehicle and Driver License Call Center Contact Strategies:

- Continue to develop in-depth, topic-specific training
- Establish a training schedule for Telephone Information Operator (TIO) staff to complete training modules at least once per year to refresh and enhance its knowledge base
- Implement a comprehensive system-administrator training program for current call management system support staff
- Research new technology for the possible replacement of the call management system
- Provide Intranet access to all central and field office staff for ease in obtaining up-to-date policy and procedure information
- Rotate TIOs from higher-stress to lower-stress call groups and functions
- Continue conducting one-on-one meetings with TIOs to respond to their needs
- Continue to brainstorm creative ways to positively recognize employees
- Explore utilizing a front-end system to our current call management system



Motor Vehicle and Driver License Field Office Contact

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. VA	B. OR	C. AZ	FY 2005	FY 2006	FY 2007
Number of transactions processed:													
Motor Vehicle	1,710,348	1,098,360	1,181,082	1,207,496	1,124,500	1,092,364	1,038,764						
Driver License	666,297	632,281	608,128	626,611	609,693	429,424	437,157						
Average wait time in minutes:													
Motor Vehicle	20	N/A	8	12	8	12	9	26	20	23	9	12	11
Driver License	23	N/A	10	12	10	10	7	57	26	N/A	7	10	10
Percentage of customers completing their transactions during their first visit to a field office (1)	94%	95%	94%	94%	95%	90%	89%	96%	Est. 75%	N/A	91%	93%	94%

Footnote:

- (1) Measurement criterion changed in Fiscal Year 2004 from percentage of transactions completed on first visit to percentage of customers completing their transactions on their first visit. Change was made due to some customers having multiple transactions.



Motor Vehicle and Driver License Field Office Contact Strategies:

- Update customer priorities by conducting focus groups with customers
- Measure customer priorities (timings, customers turned away) in all field offices, including agent offices
- Continue development of the Field Automation System for Titling and Registration (FASTR)
- Complete implementation of the debit/credit card program in the field offices
- Implement new legislation:
 - Biennial renewal of disabled placards
 - License plate reissuance and tabs on demand
 - Patriot Act
 - School bus endorsement on driver license
 - Concealed carry endorsement
 - Motor Carrier Safety Improvement Act
- Reallocate staff in branch offices to Telephone Information Operation (TIO) classification to answer telephone calls
- Continue Fraudulent Document Recognition (FDR) training
- Provide the basic training program to new branch office employees on Over-the-Counter (OTC) and motor vehicle transactions



Motor Vehicle Registration

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. ID	B. OH	C. VA	FY 2005	FY 2006	FY 2007
Number of registrations produced (millions):													
Regular (1)	4.9	5.1	3.9	2.33	2.4	2.44	2.35	1.4	10.9	6.8	2.48	2.52	2.57
Biennial	(FY 2002) 1.4	N/A	1.4	1.51	1.6	1.57	1.61				1.60	1.63	1.66
Percentage of registrations produced correctly on the first try	88%	95%	94.4%	95%	96.4%	97%	96.58%	99%	99%		97.5%	98%	98%
Number of days to process one	36	8.0	8.46	8.0	8.31	8	8.19	OTC		3	8.0	7.5	7.0
Cost to customers (time and money) to obtain/renew	\$47.51	\$38.34	\$38.10	\$37.15	\$40.27	\$39.46	\$39.49		\$31.61	\$29.50	\$40.20	\$41.00	\$41.82

Footnote:

(1) Decrease in regular registrations has occurred since implementation of biennial registrations in July 2000. Regular one-year registrations dropped from 3.9 million in Fiscal Year 2002 to 2.4 million in Fiscal Year 2003 as the last cycle of citizens opting for biennial occurred during 2003.

Strategies:

- Implement the Key Entry Design System (KEDS)
- Implement the Field Automation System for Title and Registration (FASTR)
- Implement document imaging
- Continue to market the Missouri Online Registration Exchange (MORE) system
- Implement measures to ensure the General Registration System (GRS) error file does not exceed 15,000
- Continue to work with the Office of Legislation and Regulations (OLR) to draft legislation for a "flat fee" registration



Motor Vehicle Title

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. ID	B. OH	C. VA	FY 2005	FY 2006	FY 2007
Number of titles produced (in millions)	2.63	2.6	2.34	2.45	2.33	2.28	2.77	\$.5	\$6.5	\$2.5	2.40	2.45	2.50
Percentage of titles produced correctly on the first try	73%	93%	91%	93%	91%	93%	91%	98%	98%		93%	94%	95%
Number of days to process a title:													
Regular	8	7.0	7.7	7.0	7.7	7	8.52	6-7		1	7.0	6.5	6.0
Quick	3	2.0	1.8	1.5	1.3	1.2	1.18				1.1	1.1	1.1
Reject	N/A	25.0	25.9	25.0	24.8	25	11.95				12	12.5	12
Customers cost (time and money) to obtain a title	\$23.12	\$20.00	\$20.35	\$20.65	\$20.59	\$21.10	\$21.14	\$8	\$5	\$10	\$21.52	\$21.95	\$22.38

Strategies:

- Implement the Key Entry Design System (KEDS)
- Implement the Field Automation System for Title and Registration (FASTR)
- Implement document imaging
- Implement pilot program in Jefferson City Branch Office to key Notice of Liens (NOLs) using the Internet NOL system
- Continue to market the Internet NOL system
- Continue to work with the Office of Legislation and Regulations (OLR) to draft legislation for a "flat fee" registration



Division of Administration

- Bank Deposit
- Criminal Investigation Case
- Legal Case
- Mail Delivery - Incoming and Outgoing
- Quality Trained Employee
- Technology Application
- Technology Infrastructure
- Telecommunication Connection



Bank Deposit

Measure	FY 2002	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of cash receipt (CR) documents and deposit slips/documents approved (state)	(FY-2003) 42,255				42,255		43,025						
Percentage of individual income tax returned checks cleared by Represented Check Entry (RCK) (state)	60.39%		60.39%		78.45%		78.02%				80%	83%	85%
Number of days to reconcile monthly branch and agent office local bank statements (non-state)	17.17		17.17		13.17		14.08				14.0	13.9	13.8
Number of bank statements (non-state)	(FY-2003) 2,772				2,772		2,780						
Percentage of deposits not called in by branch/agent offices (non-state).	1.22%		1.22%		.20%		.33%				.25%	.23%	.20%
Percentage of branch/agent office returned checks cleared by RCK (non-state).	59.96%		59.96%		41.49%		39.08%				42%	44%	46%

Strategies:

- Implement check truncation in the branch and agent offices
- Increase the acceptance of credit/debit cards in the field offices
- Adjust compensating balances to reflect technological changes associated with deposits in local financial institution accounts



Criminal Investigation Case

Measure	FY 1999	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of cases initiated	802	854	898	854	890	890	1077				990	990	1,050
Number of cases completed	781	900	898	900	870	960	947				1,020	1,060	1,040
Number of completed investigation cases completed by category:													
Insufficient Evidence	169	160	147	145	111	145	104				145	145	140
Successful Resolution	257	280	256	290	247	280	223				305	320	315
Administrative Action	163	240	325	285	289	320	395				340	355	345
Prosecution Report	192	180	170	180	223	215	225				230	240	240
Number of days to complete an investigation by category:													
Insufficient Evidence	167	150	115	134	136	134	97				130	120	120
Successful Resolution	117	140	134	137	142	137	132				130	120	120
Administrative Action	88	89	72	72	73	72	83				72	72	72
Prosecution Report	135	150	175	170	123	150	108				150	150	150

Strategies:

- Continue to conduct quarterly strategy meetings to improve completed investigations' outcomes in the areas of tax prosecutions, insufficient evidence, and summons
- Assist internal customers in identifying criminal violations and implement a referral process
- Increase the number of successful prosecutions on completed prosecution reports through communication and planned investigative activities in targeted areas of the state
- Increase the number of summons issued and prosecuted through additional agent and prosecutor training
- Decrease the amount of time to complete a dealer investigative report by creating a template to use in advertising investigations
- Implement additional phases of Lotus Notes to improve case tracking and provide better accounting of time spent and costs of investigations



Legal Case

Measure	FY 2003	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of Sales/Use Tax cases opened	1,658			Established Baseline in Fiscal Year 2003	1,658		1,433						
Number of Bankruptcy cases opened	5,465				5,465		6,143						
Number of Transportation cases opened	3,869				3,869		3,862						
Number of Administrative Alcohol hearings conducted	12,315				12,315		11,487						

Strategies:

- Retain and hire quality employees
- Train attorneys through continuing legal education and in-house seminars
- Utilize the case management system to ensure proper tracking of cases



Mail Delivery – Incoming and Outgoing

Measure	FY 2001 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. MO Dept. of Insurance	B. Mo Dept. of Natural Resources	C.	FY 2005	FY 2006	FY 2007
Number of incoming pieces of mail (thousands) (1)	7,547	7,100	7,213	7,141	6,584	6,500	6,123				5,900	5,700	5,500
Number of outgoing pieces of mail (thousands) (2) (3)	17,951	16,400	17,015	16,675	15,584	15,305	13,674	264	412		13,689	13,500	13,300
Number of hours to distribute incoming mail May through December (1)	1.9	1.9	1.4	1.3	1.6	1.4	1.7	Same day as received	Noon of day received		1.6	1.5	1.4
Number of hours to distribute incoming mail January through April	3.0	3.0	2.2	2.1	2.4	2.3	3.1	Same day as received	Noon of day received		2.9	2.8	2.7

Footnotes:

- (1) The Department of Insurance (DOI) and the Department of Natural Resources (DNR) pick-up mail twice daily from the Post Office. The Department of Revenue picks up four times daily from the Post Office.
- (2) Fiscal Year 2003 excludes Article X mailing.
- (3) Fiscal Year 2004 forward will have an increase in motor vehicle title mailings of 1.1 million and a decrease of 656,000 driver license renewal mailings (due to six-year driver license).

Strategies:

- Continue to assist divisions in implementing electronic filing and payment methods
- Work with divisions and the United States Postal Service to divide and reassign drop boxes and post office boxes and/or add more specific information to the department's return addresses



Quality Trained Employee

Measure	FY 2002	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Number of department positions filled	184		184		295		366						
Percentage of applications received and processed online	89%		89%		92%		99%				100%	100%	100%
Average number of weeks to fill positions	12.75		12.75		14.63		8.1				7	6	5
Percentage of department-wide turnover (1)	9.72%		9.72%		9.57%		11.26%	(DNR) 11.9%	(MOGOV) 16.1%	(DHSS) 16.2%			
Number of Human Resource Officer contacts:													
Employee	100		100		136		163						
Management	136		136		117		142						
Number of training hours per employee (2)	12.6		12.6		6.57		5.42	(BMS) 28.0	(TIL) 62.4	(BMF) 40.1	12.5	20	28
Number of training hours per manager	26.3		26.3		15		7.67				10	13	16
Percentage of employees attending internal training programs (2)	71%		71%		63.9%		38.7%	(BMS) 79.2	(TIL) 94.4	(BMF) 85	50	65	79.2
Percentage of managers attending internal training programs	64.5%		64.5%		64.5%		35.7%				50%	75%	100%
Percentage of Training: (2)								(BMS)	(TIL)	(BMF)			
Classroom Platform	100%		100%		99.2%		89.7%	72.1	61.9	60.125.5	82.1%	77.1%	72.1%
Online, CBT, CD Rom	0%		0%		.08%		10.3%	15.4%	29.4%	%	12.5%	14%	15.4%
Level of customer satisfaction with training:	(FY 2004)												
(3) Workforce Development	4.33						4.33				4	4	4
(3) Leadership Development	4.59						4.59				4	4	5
Percentage of customer satisfaction with technology training	(FY 2004) 99.4%						99.4%				99%	99%	99%

Footnotes:

- (1) Benchmark identification: DNR – Department of Natural Resources; MOGOV – Missouri State Government; DHSS – Department of Health and Senior Services
- (2) Benchmark identification: American Society for Training and Development (ASTD) 2003 State of the Industry Report three groupings: BMS – Benchmarking Service; BMF – Benchmarking Forum; TIL – Training Investment Leaders
- (3) Five-point Likert scale used with 5 being indicator of highest level of increased knowledge and skills by attending class



Quality Trained Employee Strategies:

- Continue to review the hiring process to determine bottlenecks
- Continue to promote online application and educate applicants about the online application process
- Conduct an exit interview in Human Resource Services and Development (HRSD) with departing employees to determine trends
- Continue to provide mediation services between management and employees to resolve internal issues and reduce external litigation
- Continue to market training weekly through Rev-E-News
- Continue to publish training calendar semiannually
- Continue Microsoft Office Specialist certification program. Pursue additional certification programs for employees (Internet and Computing Core, Customer Service, Certified Public Manager)
- Continue implementing training evaluation methods using Kirkpatrick's model:
 - Level I: Reaction (How favorably participants react to training – "Customer Satisfaction")
 - Level II: Learning (Measurement of knowledge, skills, and abilities before and after training)
 - Level III: Behavior (Transfer of knowledge, skills, or attitude on the job)
 - Level IV: Results (Assesses the financial impact or business results due to training)
- Increase accessibility and availability of training to all employees:
 - Increase use of Learning Technologies (networked, CD Rom, online) to deliver training
 - Reduce overall percentage of training delivered in the classroom
 - Obtain Learning Management System to include web-based interface to simplify administration of training function and to serve as an interface for employees to access training information and courses online
- Increase course offerings and learning opportunities



Technology Application

Measure	FY 1999 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A	B.	C.	FY 2005	FY 2006	FY 2007
Number of homepage hits (millions)	0.3		1.0		1.1		2.1				2.5	3.0	3.5
Number of transactions available online	0		13		13		16				20	20	25
Number of e-mails received	6,500		6,486		5,970		7,190				6,000	6,250	6,500

Strategies:

- Develop performance measures for Application Programming Support and determine baseline measures
- Continue to work with business process owners to provide additional convenient services for our customers
- Continue to encourage technical training as appropriate to keep pace with technological changes
- Continue to nurture web liaison relationships
- Continue to study and implement adaptive technologies as appropriate to better understand disabled users



Technology Infrastructure

Measure	FY 2003 Baseline	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
		Targets	Results	Targets	Results	Targets	Results	A. Industry Standard	B.	C.	FY 2005	FY 2006	FY 2007
Percent of time network is available (uptime)	99.404%	N/A	N/A	Established Baseline in Fiscal Year 2003	99.404%	99.600%	99.683%	99.999%			99.700%	99.800%	99.850%

Strategies:

- Develop network plan to provide the optimum level of network availability (minimizing unscheduled downtime)
- Continue to develop help desk, network monitoring, and performance reports to be used to measure critical factors affecting network availability and to guide in identifying network needs to meet customer (agency) expectations for network performance
- Develop communication practices to provide the right customers with the right information at the right time regarding scheduled and unscheduled network outages
- Refine metrics for evaluating network risk, outage tolerance, outage impact, and project priorities



Telecommunication Connection

Measure	FY 2004	FY 2002		FY 2003		FY 2004		Benchmarks			Targets/Projections		
	Baseline	Targets	Results	Targets	Results	Targets	Results	A.	B.	C.	FY 2005	FY 2006	FY 2007
Average number of days to complete requests	28					Determined Baseline in Fiscal Year 2004	28				28	24	22
Number of opened requests	856						856						
Number of closed requests	822						822						
Cost of line and dedicated circuit (thousands)	\$1,558						\$1,558				\$1,450	\$1,400	\$1,350

Strategies:

- Continue to serve as a liaison between the divisions and the Office of Administration Telecommunication's staff and local telephone companies
- Continue to evaluate the department's telecommunication needs and provide service in the most timely and efficient manner possible

